

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

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BANKRUPTCY COURT
MARY A. SCHOTT, CLERK

In re:

USA COMMERCIAL MORTGAGE COMPANY,

Debtor.

Case No.: BK-S-06-10725-LBR

Chapter 11

**RESPONSE TO SIXTH
OMNIBUS OBJECTION OF
USACM TRUST TO PROOFS OF
CLAIM BASED IN WHOLE OR
IN PART UPON INVESTMENT
IN THE TAPIA RANCH LOAN**

Date of Hearing: July 26, 2011

Time of Hearing: 1:30 p.m.

SEGEL, GOLDMAN, MAZZOTTA & SIEGEL, P.C., Counsel for Claimant MORRIS MASSRY ("Massry") hereby files this response to the USACM Liquidating Trust's (the "USACM Trust") Sixth Omnibus Objection to Proof of Claim, Claim No. 10725-01898 filed January 9, 2007 (the "Proof of Claim"), and begs the Court to reject the objection of the USACM Trust based upon the following facts:

1. On or about October 1, 2004 Massry invested \$200,000 in the Tapia Ranch loan. The terms of the investment allowed for accrual of interest at a rate of 12.5% resulting in interest of \$3,055.56 at the time of the filing of the Proof of Claim. Accordingly, Massry is owed \$203,055.56 for his investment in the Tapia Ranch (the "Massry Claim").

2. The USACM Trust seeks to disallow the claim on the basis that Massry "took a known risk by investing in a promissory note secured by a lien on real property." USA Commercial Mortgage Company (the "Company") was a well known company in the brokerage business. The Company's objection was insufficient to convert the presumption. The Company

was properly licensed by the State of Nevada and Massry was unaware of any financial problems with the Company.

3. As acknowledged in the Debtor's moving papers, the Massry Claim is secured by the Promissory Note Secured by Deed of Trust (the "Note") and a Loan Agreement. Debtors further admit that the Note was further secured by a Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing recorded on October 8, 2004 and the Unconditional Guaranty of William Barkett, dated September 28, 2004.

4. Accordingly, the Massry Claim is secured and the Company had a responsibility, pursuant to the Note, to repay the lenders. The Company, however, has made no attempt to do so and now seeks to avoid its responsibility in its entirety.

5. In conclusion, the Massry Claim is valid and should be paid in priority together with the accrued interest in accordance with the terms of the Note.

Dated: July 11, 2011

SEGEL, GOLDMAN, MAZZOTTA & SIEGEL P.C.



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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re: USA COMMERCIAL MORTGAGE COMPANY, Debtor.	Case No.: BK-S-06-10725-LBR Chapter 11 AFFIDAVIT OF SERVICE
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STATE OF NEW YORK)
) ss.:
COUNTY OF ALBANY)

ERIKA C. BROWNE, being duly sworn, deposes and says that she is over the age of eighteen (18) years, is not a party to this action and resides in the Town of Wilton, County of Saratoga and State of New York.

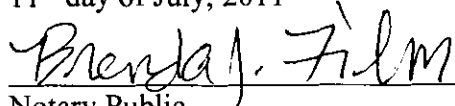
That on the 11th day of July 2011, deponent forwarded by Federal Express Overnight Delivery a copy of the within Response to Sixth Omnibus Objection of USACM Trust to Proofs of Claim Based in Whole or in Part upon Investment in the Tapia Ranch Loan upon the following:

John Hinderaker, Esq.
LEWIS & ROCA LLP
3993 Howard Hughes Parkway, Suite 600
Las Vegas, Nevada 89169

by depositing or causing to be deposited a true and correct copy of the same properly addressed and enclosed in a post-paid wrapper, in a official depository maintained and exclusively controlled by Federal Express located on Washington Avenue Extension, Albany, New York. Those addresses being designated by them for that purpose upon the last papers served in this action or the place where said parties then resided or kept offices, according to the best information which can be conveniently obtained.


Erika C. Browne

Sworn to before me this
11th day of July, 2011


Notary Public

BRENDA J. FILM
Notary Public, State of New York
Qualified in Rensselaer County
No. 01F14971104
My Commission Expires August 20, 2014